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The role of informal service providers in post-conflict reconstruction and state-building

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Jeremy Allouche

Violent conflict has a strong impact on individuals’ livelihoods, well-being, and security. Post-conflict reconstruction priorities include ensuring that citizens’ fundamental needs are met and restarting economic activity. Reducing poverty, promoting social welfare, and facilitating economic growth are three important steps in any such agenda. In this respect, restoring service delivery (or establishing it for the first time) is central to reconstruction (UNDP and UNDESA 2007). There is a need for more research on governance models for the post-conflict delivery of basic services such as health, education, electricity, water, and sanitation.

War, conflict, and violence reconfigure the state’s authority, monopoly of power, and legitimacy. War diminishes the state’s taxation capacity; many government departments and state agencies have been destroyed or seen their technical and human capacities weakened. In regions where state authority has been contested during civil war, in particular, the end of violence does not guarantee that the state will be accepted as a legitimate institution.

These issues give rise to two separate agendas: post-conflict reconstruction and state building. This chapter analyzes the relationship between the two, using the example of service delivery as an essential aspect of state (re)legitimization. Delivery of services is seen by donors as a way both to improve citizens’ lives and to enhance the state’s legitimacy and authority (Eldon and Gunby 2009). This view underpins the liberal peace model (Paris 2010) that serves as the normative basis for both agendas in post-colonial countries.

This chapter argues that current debates on state building are flawed because they employ a European and Weberian conception of state building premised on the conception of the state as a legal personality, an ordering power, and a set

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of formal arrangements that institutionalize power.\textsuperscript{1} This conception is not well adapted to service delivery and state building in most contemporary post-conflict situations, because it does not take informal governance and service provision into account.\textsuperscript{2}

Informal systems or institutions may arise either to oppose state authority or to provide services when the state fails to do so. In the first case, state building requires restoring the legitimacy of the state (Lemay-Hébert 2009); in the second case, it entails creating more effective state institutions (Brinkerhoff 2005).

Providing access to water services in post-conflict situations does not just improve citizens’ lives but also represents an important instrument for state building and enhancing state legitimacy. Political legitimacy derives from the government’s right to govern and from the explicit and implicit consent of the governed. The governance of formal and informal water systems may either support or undermine state building. This chapter argues that donor approaches to state building (including the first such efforts in Afghanistan and Iraq) have often failed to consider informal service providers as potential partners in post-conflict reconstruction.

This chapter is divided into two parts. The first focuses on donors’ conceptions of the state and argues that the predominant discourse on state building focuses on creating the security and stability needed to control the territory and to lay the basis for international and regional trade. This often leads to a very centralized state, and causes state-building policies to deal with reconstruction and service delivery in a way that views informal institutions and providers as resisting state authority and the formalization of its institutional power.

The second part of the chapter explores the nexus between service delivery and state building through the specific example of water services. It examines the extent to which service delivery can strengthen the legitimacy of the state and highlights the limits of the dominant discourse, which links service delivery to state legitimacy. Lastly, it looks at alternative models of state building that focus on post-conflict reconstruction, the informal sector, and regulatory governance (Brinkerhoff 2005; Schwartz, Hahn, and Bannon 2004), and at the important role of nonstate providers in the delivery of services.

\textsuperscript{1} In \textit{Economy and Society} (1968), Max Weber identified the following characteristics of a state: (1) the claim to the monopoly of the legitimate use of physical force within a given territory; (2) centralization of the material and the means to rule; (3) distribution of the powers of command among various organs (a rational constitution); (4) an administrative and legal order that claims binding authority over all within its jurisdiction; (5) subjection of this order to change through legislation; (6) organized enforcement and realization of this order (an administrative staff); and (7) regulation of the competition for political office according to established rules.

\textsuperscript{2} A number of interesting studies have looked at the coexistence of informal institutions with those of the state; see, for example, Unruh and Williams (2013).
DOMINANT VIEWS OF THE STATE

The dominant vision of state building is based on security and stability concerns (U.S. DOD 2005), leading to the emergence of a centralized Weberian state that treats informal institutions as a barrier to economic governance and service delivery (Lister and Wilder 2005).

Post-conflict reconstruction and state building have sparked interest among policy makers (DFID 2009; OECD 2007) and academics (Caplan 2004; Menkhaus 2007; Rubin 2006; Tripp 2004), essentially as a result of the major powers’ involvement in conflict and post-conflict situations such as the Balkans, Somalia, Iraq, and Afghanistan. Donors and policy makers are now faced with the question of how state institutions can best be recreated and legitimized.

One approach has been to look back to European history. The influential work by Charles Tilly on the link between war and state building provided an interesting entry point to thinking and perhaps rethinking these issues in the post-colonial context (Tilly 1990). Tilly showed that the formation of nation-states in Western Europe was strongly linked to wars and the accumulation of capital to finance them, and that nation-states did not arise as a product of a linear evolution but from a particular historical and international context. This vision of state building has not been adapted to the current, broader context but remains rooted in the European experience (Taylor and Botea 2008). Experiences of post-conflict reconstruction in the post-colonial context, from Cambodia to Zimbabwe, have largely been ignored in the current debates (Clapham 2002).

Since economic deprivation may have been a cause of conflict (particularly if associated with ethnic, religious, or other kinds of social differentiation), donors active in post-conflict environments consider it vital to quickly stimulate economic development that can improve the general welfare of the population and thus weaken support for political violence. Service delivery appears to be an ideal way to achieve this. This vision of state building is very narrow, tends to focus on technical aspects of building state capacity, and ignores, to a certain extent, identity issues (Allouche 2008).

This dominant vision of state building affects the way the informal sector is approached. As pointed out by Simon Chesterman, Michael Ignatieff, and Ramesh Thakur, the international community with its interventions is trying to build a particular type of bureaucratic state: “a manifestation of political power that has been progressively depersonalized, formalized, and rationalized” (Chesterman, Ignatieff, and Thakur 2005, 2). So while policy makers and international donors may see state building as institution building, it may be more helpful to think of state-building initiatives in a multi-institutional context. As such, they may be seen as an attempt to replace one set of rules with another, so that formal bureaucratic rules of the Weberian type take precedence over informal rules (Lister 2007). This may create a tension in the liberal peacebuilding model, which promotes liberal democratic systems and market-oriented economic
growth (Paris 2010). As the following paragraphs will show, local (informal) private providers are seen as part of the problem rather than the solution.

SERVICE DELIVERY AND STATE BUILDING

Despite the explosion in size of the literature on state building (Caplan 2005; Chandler 2006; Chesterman 2004; Fukuyama 2004; Zaum 2007), very little research explicitly addresses the role of public service provision in state building (Waldman 2007). Most of the literature that has addressed this issue (Eldon, Waddington, and Hadi 2008; Van de Walle and Scott 2009) emerged from research that was predominantly concerned with building the state’s authority and legitimacy.

Legitimizing the state

The potential of service provision to act as a nonviolent vehicle for territorial penetration is attractive to international donors aiming to build capable states with a controlling presence, authority, and widespread visibility. The state has been understood as a centralized and public institution in which public services may contribute to (1) the integration of peripheries and the consolidation of territory; (2) standardization that facilitates exchange, mobility, equity, power-brokering, and pacification; and (3) accommodation of rebels in positions in public institutions to prevent the development of competing centers of power within the state (Migdal 2001).

This dominant centralized, securitized conception of state building focuses on state penetration and definition of boundaries. In its territorial sense, a boundary is the demarcation of a state territory. In its social sense, it separates “the state from other non-state, or private, actors and social forces” (Migdal 2001, 17).

Zimbabwe provides an interesting example of ways that the dominant discourse on state building can affect service delivery, especially as it pertains to access to water. Service delivery in Zimbabwe following independence in 1980 was used both as a tool of state legitimacy and as a weapon against competing forms of governance (Eldon and Gunby 2009; Musemwa 2006).

As a post-conflict country (from 1980 onward), Zimbabwe has usually been portrayed as a successful example of service delivery, state building, and state penetration, especially in the 1980s (Eldon and Gunby 2009). During the Zimbabwe Conference on Reconstruction and Development in 1981, the international community promised large-scale financial and technical support to help address capacity constraints. This international support was backed by strong political will by the new government, which was determined to eradicate inequalities in access to basic services, including water (Eldon and Gunby 2009).

Water and sanitation were seen during early planning as part of a wider state-led community development strategy to provide “increased access to safe and reliable water and sanitation facilities and improved health and hygienic practices” (Eldon and Gunby 2009, 106). But water and sanitation also played
an important political role. Service delivery was a way of showing that the new Mugabe government was going to address the large inequalities developed during the colonial era and was a key part in establishing the credibility of the ruling political party, the Zimbabwe African National Union (ZANU). Rural areas were a priority for the newly formed government, as peasants and other rural groups had been central to the armed struggle and were the backbone of ZANU legitimacy. The nomination of district administrators for rural water supply and sanitation services gave the central government formal influence over even the most remote local authority (Eldon and Gunby 2009).

This rural policy successfully improved the health and well-being of rural people. As reported by the WHO/UNICEF Joint Monitoring Programme for Water Supply and Sanitation (Nicol and Mtisi 2003), 84 percent of Zimbabwe’s population had access to safe drinking water by 1988. Politically, it was also a success, as a majority of these rural communities felt that they had the same rights as urban elites and that they were part of the nation-building process. As a result, service delivery, especially in rural areas, became a successful tool of state building and created a sense of legitimacy for the ruling party, at least during the 1980s.

Service delivery, and in particular the access to and administration and distribution of water, also became, under President Robert Mugabe, a political tool for managing rivalry and ethnic divisions (especially tensions with the Ndebele minority). In some ways, as soon as the state conceives service delivery as a tool for establishing legitimacy, reconstruction becomes highly political. This is what happened in the Matabeleland region, and especially the city of Bulawayo, where water services were used as a tool for political and social control. Research by Muchaparara Musemwa revealed that all development projects were suspended in the region in the early 1980s because of insecurity and political considerations on the part of the government (Musemwa 2006). Indeed, the region was seen as supporting the Zimbabwe African People’s Union (ZAPU), and the early 1980s were marked by violence and uprisings against the ZANU-dominated government.

At the conclusion of the December 1987 Unity Accord between ZANU and ZAPU, people in Bulawayo and the province of Matabeleland had high hopes. “Many in the region expected to be rewarded for accepting Unity, and anticipated a program of reconstruction to compensate for the years of violence” (Alexander, McGregor, and Ranger 2000, 232). Water supply was critical in Bulawayo due to the droughts in 1982–1984 and 1986–1987 and the city’s growing population, which included people displaced by violence from rural areas in Matabeleland North. However, the government viewed Matabeleland as a dissident region, as a result of uprisings there in the early 1980s and ZAPU’s electoral victories in the 1980, 1984 (local), and 1985 (national) elections, a source of humiliation and anger for ZANU. The ZANU government used the withholding of water services as a weapon against these perceived dissidents despite the 1987 Unity Accord.
Musemwa documented how the central government managed to block initiatives by the Bulawayo City Council during the late 1980s and early 1990s (Musemwa 2006). The Matabeleland-Zambezi Water Project (MZWP), proposed in the early 1990s, illustrates the competition between the Bulawayo City Council and the central government. This project was repeatedly turned down by the central government, despite the return of drought in 1991. The plan was shelved partly because it was costly but partly for political reasons.

As soon as Matabeleland’s political leadership and Bulawayo residents, business people, and municipal officials came together to form the MZWP in 1991, the government created an alternative lobby, the Matabeleland-Zambezi Water Trust, duplicating the MZWP’s functions (Nel and Berry 1993; Musemwa 2006). The government’s manipulation of the MZWP served as a potent political weapon in the contest for the votes of Bulawayo residents. The project did not materialize in the early 1990s. The failure by the central state to construct a single water reservoir between 1980 and 1992 created water scarcity, exposing the people of Bulawayo to harmful social and environmental conditions.

Musemwa’s 2006 discussion of this issue paid insufficient attention to local power struggles and the way they shaped the state’s penetration in Bulawayo, a penetration that was mediated through the state’s local representatives, who were either locally elected or appointed by a government agency in a technical and political capacity (Eldon and Gunby 2009). But overall it still holds that water was used as a weapon against what was viewed as contested and informal governance against state authority and legitimacy.

The Zimbabwe experience shows that water services may be used as a tool for increasing the state’s presence and legitimacy in remote and rural areas. Donors should not assume that service provision is an apolitical, noncontroversial starting point for state building (Batley 2004) and conflict prevention (Vaux and Visman 2005). The delivery of public services is inherently political and has been used for political ends throughout history (Van de Walle and Scott 2009). Zimbabwe is a good example of how service delivery may become a weapon in the context of a challenge, real or perceived, to state authority. There are, of course, many other examples. In Mostar, Bosnia, for example, the Bosnian Croats sought to obstruct the implementation of an agreement to rehabilitate and integrate the city’s divided water and sewage system (ICG 2000), as this measure was perceived by some ultranationalists as reuniting contested areas in the city that they saw as ethnic territorial spaces.

The link between public services and state legitimacy is not limited to their potential for use as a political tool by the ruling party. Public services provide one of the most direct links between the state and its citizens; they contribute to state visibility and serve as a symbol of state presence. Numerous studies have shown how public services diffuse cultural symbols of statehood and nationhood (Shils 1975). Nonetheless, the argument that state legitimacy will automatically follow from service delivery ignores complex issues such as political participation and representation (Lister 2007). Its understanding of state legitimacy is narrow, and in post-conflict situations, it assumes that conflict was the principal
agent in undermining service delivery in peri-urban and rural areas. It ignores conditions existing prior to conflict in which service delivery to the urban and rural poor was already a major issue.

Conflict clearly has an impact on service delivery, but the ideal vision of state building and service delivery described above may have not existed prior to the conflict. Informal governance, as discussed in the introduction to this chapter, is more closely linked to the absence of state institutions for service delivery, especially in peri-urban and rural areas, than to challenges to state authority. The absence of clear and reliable data on the impact of conflict on service delivery (Schwartz, Hahn, and Bannon 2004), and the fact that data on access to water by definition exclude informal providers, limit our understanding of service delivery in post-conflict situations and how it compares with the situation prior to the conflict. Current assumptions regarding the effect of conflict on infrastructure in post-colonial countries are based on an understanding of conflict as a highly technological battlefield (Collier and Hoefler 2007). This reflects a Western bias that is disconnected from recent conflicts in post-colonial countries, most of which have involved irregular warfare, which favors indirect approaches (rather than military battles) to erode an adversary’s power, influence, and will. In this type of conflict, large elements of the infrastructure are difficult to destroy since the weapons used are not large, technologically sophisticated weapons such as tanks.

Service delivery might contribute (within the limits highlighted above) to state legitimacy. However, in many situations, informal governance is not a post-conflict challenge to state legitimacy but the continuation of a pre-conflict strategy to cope with lack of services.

Reconstructing society

The current debates on Afghanistan and Iraq, and more generally on state building, tend to focus exclusively on strengthening state institutions (by enhancing their authority or legitimacy) and are disconnected from the reconstruction agenda. However, improving the well-being of citizens will reinforce state building and the legitimacy of state institutions. With this alternative approach to state building, informal governance becomes a central issue in service delivery.

In poor rural and peri-urban communities, the provision of water is dominated by largely unregulated, small-scale, informal private water providers, also referred to as small-scale independent providers or small water enterprises (Sansom 2006). In many parts of the world, piped water is available only to a minority of urban dwellers. In 1999, Tova Maria Solo estimated that in Latin American cities, “25 percent of residents depend on independent providers for water and 50 percent for sanitation. In Africa, the figures rise to 50 percent for water and 85 percent for sanitation” (Solo 1999, 118). As a result, private sector participation in water services in post-conflict countries is important. In many African cities, informal providers are the predominant or only providers of water that have continued to function during periods of conflict (Sansom 2006).
Outside investments in the water sector in post-conflict situations are often considered too risky. A study by the World Bank, for example, has shown that private investment in water supply and sanitation tends to come later and is much more limited than investment in other types of infrastructure:

All of the investment, collection, tariff and regulatory risks found in the other sectors are exacerbated by the uncertainties of local political, administrative and contractual arrangements. The health concerns associated with water, the uncertainty of investment needs given the importance of underground assets and the intensely emotional manner in which many people view their right to water, further raise the risk profile of water investments in post-conflict countries (Schwartz, Hahn, and Bannon 2004, 15).

The provision of water and sanitation is of utmost priority in post-conflict states. Unsafe water equates directly with worse health, but the lack of adequate public revenues, government capacity, and investor interest often results in failure to reestablish access to basic infrastructural services.

In fragile post-conflict states, nonstate providers play a substantial role. Their willingness to collaborate with government agencies is likely to depend on the prevailing political climate. Some resistance movements in fragile states, such as the Maoists in Nepal and Hamas in the Palestinian territories (before it won the parliamentary elections in 2006), have also provided basic social services. Collaboration with such organizations by the established government would clearly be difficult while they remain resistance movements.

Besides political considerations, the major challenge to post-conflict reconstruction is to identify mechanisms to reconcile informality with conventional procedures. The regulation of nonstate water providers (such as informal private providers and community groups) presents challenges due to their small-scale and informal nature, which makes them difficult to contract and monitor.

A number of states are recognizing the informal market and introducing new regulatory arrangements that acknowledge and legitimize these private providers. Their strict economic regulation is not viable; market-based approaches (such as permits) and voluntary self-regulation agreements have been developed. For example, in Malawi, the Blantyre Water Board has developed a system to support community groups and private providers by sharing construction procedures and advice on planning, implementation, and monitoring of their projects (Sansom 2006). Efforts to coordinate unregulated providers (for example, the setting up of bulk water supply contracts) become de facto state-building measures.

Lack of formal government recognition of nonstate providers has a number of consequences, especially in terms of pricing and public health. In Delhi, India, and Dhaka, Bangladesh, informal water providers who operate illegally charge

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3 The examples of nonstate water providers given in this section are not exclusive to post-conflict states; however, the approaches discussed can be—and increasingly are—deployed in post-conflict situations.
The role of informal service providers

six to ten times more than state-subsidized utilities. In Cebu, Philippines, and Ho Chi Minh City, Viet Nam, where informal water providers have received official recognition, the multipliers are much lower: 2.6 and 1.7 (McIntosh 2003). The lack of recognition of informal private providers also has important public health implications, especially because of the inability to control water quality. This is why the government provided filling points for the 200-plus private water tankers in Enugu, Nigeria, to encourage tanker operators to use only authorized water sources. In Lagos, Nigeria, the state water corporation has allowed licensed water vendors to connect to its pipe system.

Community water watch groups have been used to compare different water providers’ services. In Zambia, for example, water watch groups have been delegated powers from the national water regulator to monitor the performance of a variety of water and sanitation providers and deal with complaints (Franceys and Gerlach 2008). Benchmarking, flexibility in service standards, and reliance on community water watch groups have all helped to facilitate transitions from informal to formal governance.

Role of donors

Donors have the potential, within limits, to directly support nonstate providers delivering services to underserved groups. Donors rely on international and national nongovernmental organizations (NGOs) in post-conflict situations to provide services. Direct donor funding to NGOs bypasses government structures and often occurs when the government is unable to deliver services or unwilling to do so for reasons such as ongoing conflict or the fragility of the state. The risk for donors is that this approach can effectively disenfranchise the government, causing it to become uncooperative and thereby restricting opportunities for donors to influence broader government policies, plans, and programs. In the longer term, the government must play an important role in supporting the development of key services (such as electricity and water) as donors and international NGOs withdraw.

The example of Uganda is quite revealing. In the mid-1990s, Uganda was in a recovery phase as it emerged from previous conflicts, although fighting has continued in the north of the country. During this period, many NGOs, including faith-based organizations, were working to improve water supply and sanitation in rural Uganda. Uganda has a variety of water service providers, including international and local NGOs, the Church of Uganda, and informal private providers. Most water projects bypassed the government’s Directorate of Water Development, which created resentment among government officials and tensions with the international aid community.

The international donor community and the government of Uganda addressed this issue by creating a program called the Sector Wide Approach. Water and sanitation were identified as priority sectors, which meant that more resources and efforts were devoted to the water sector by the government of Uganda. In a decentralization and capacity-building effort, young engineers were employed in
district water offices to provide technical assistance, but the private sector and NGOs remained the implementing agents in providing water services. This new form of collaboration between the government, donors, and the informal private sector considerably improved access to water and sanitation from 2003 to 2005 (Sansom 2006).

Given the importance of informal water providers, the state-building discourse clearly needs to take them into account and arrange for an effective transition from informal governance to regulatory governance. A state-building discourse that emphasizes a strong state with full control does not seem to be very helpful in reconstructing the delivery of services after a conflict. It also limits the options for donors who are obliged to deal with nonstate actors in post-conflict situations.

CONCLUSION

There are multiple pathways to post-conflict state building and reconstruction. Both agendas are now dominated by a discourse that emphasizes authority, legitimacy, and formality. State-building and reconstruction practices use service delivery as a tool for strengthening the legitimacy and authority of state institutions. However, the relevance of a European concept of state building is questionable in post-conflict countries in which informal governance plays a strong role. Current state-building discourses and practices have not addressed the major issues of change from informal governance to state empowerment and are often inadequate to explain the current realities of water provision in peri-urban and rural areas.

This does not discredit the normative ideal of a strong state, especially with regard to service delivery. On the contrary, a reconstruction agenda that gives priority to service delivery and regulatory governance will enhance the state’s legitimacy over the long term and give it greater authority over the management of public affairs. Regulatory governance emerges as a way to deal with the formal and informal sectors as two complementary realms rather than antagonists. The major challenge in terms of state building and service delivery lies in recognizing the importance of the informal sector and the tensions between formalization, state control, and success or failure in providing services to the people who need them the most.

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42 Water and post-conflict peacebuilding


